



## Oklahoma District Office

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405-609-8000 FAX 405-609-8990

### **Lender's Advantage Loan Program**

- A new user friendly 7(a) loan processing service designed to meet the needs of lenders making fewer than 20 SBA loans per year
- A shorter, simplified application for loans of \$350,000 or less in fillable PDF format at <http://www.sba.gov/localresources/district/ok/index.html> (SBA Form 2301 parts A, B, C)
- Centralized and expedited SBA loan processing (generally 3-5 days)
- SBA's 85/75 percent guaranty mitigates your risk, allowing you to offer credit to newer, less secure businesses (85% up to \$150k, 75% over \$150k)
- The guaranteed portion of an SBA loan can be sold to an investor to maintain your liquidity and enhance your yield.
- Applications can be transmitted by fax or email if less than 5 mb. Online processing will be available later in 2008.
- Limited financial information will be collected.
- Simplified SBA loan eligibility checklist to help lenders meet SBA's eligibility criteria.
- Access to specialized eligibility assistance through SBA's Standard 7(a) LGPC help desk.
- Training on SBA loan requirements and processes is available from local SBA offices.

#### **FORMS REQUIRED FOR SUBMISSION**

- 2301A, Small Business Application for SBA Guaranteed Loan
- 2301B, Lender's Application for Guaranty
- 2301C, Eligibility Questionnaire
- Lenders Credit Memorandum
- Any supporting documentation as indicated in SBA Forms 2301A, B, and C

#### **FORMS REQUIRED IN CERTAIN CASES**

- SBA 159, Fee Disclosure Form (for packaging by Agent)
- SBA 912, Statement of Personal History (regarding past legal charges)
- IRS 4506T, Request for Transcript of Tax Return (existing businesses corporate returns) to IRS
- CIS G-845, Document Verification Request (for non-citizens) to CIS

All other documentation is maintained in lender's files; e.g. tax returns, financial statements, itemized list of collateral, affiliate documentation

### **Tier 1**

Up to \$150,000

Existing Businesses only

No Change of Ownership or Judgments/Bankruptcy filings

***Lender's Credit Memo should address the following at a minimum:***

1. History and nature of the business
2. Cash flow relative to debt service
3. Management experience of principal(s), particularly in the industry, financial condition of business, nature of competition
4. Balance sheet including requested loan funds and equity injection
5. Collateral adequacy (using liquidation values)
6. Explanation/Justification for refinancing any debt as part of loan request
7. Discussion of credit analysis, including lenders rationale for recommending approval
8. Any other relevant information

### **Tier 2**

\$150,001 to \$350,000

Existing Businesses

No Change of Ownership, Judgments/Bankruptcy filings

- OR -

On any loan amount up to \$350,000 including:

New Businesses (2 years or less)

Businesses that have had judgments/bankruptcy filings

***Lender's Credit Memo should address the following at a minimum:***

8 items under Tier 1 plus:

1. Analysis of working capital adequacy in next 12 months
2. Analysis of cash flow to include historical/projected cash flow covering debt service after SBA loan
3. Discussion of any that apply: a) seller financing b) stand by agreements c) 90+ day delinquency d) trade disputes
4. For change of ownership, include business valuation
5. Discussion of bankruptcy filings and judgments

Loans with complicating eligibility factors such as affiliates, refinance, citizenship, excess personal resources should consult SBA at 916-735-1515 x4368 or [7aquestions@sba.gov](mailto:7aquestions@sba.gov) after completing 2301 Part 3.

**For questions on Loan Requirements and Processes contact  
[cindi.anderson@sba.gov](mailto:cindi.anderson@sba.gov) or 405-609-8018 or  
[sandra.ransome@sba.gov](mailto:sandra.ransome@sba.gov) or 405-609-8019**